

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

INSITUFORM TECHNOLOGIES, INC.,)
)
)
Plaintiff,)
)
v.) Case No. 04 10487 GAO
)
AMERICAN HOME ASSURANCE COMPANY,)
)
)
Defendant.)

AFFIDAVIT OF LAWRENCE B. BUTLER

I, Lawrence B. Butler, am an employee of Insituform Technologies, Inc. ("Insituform") and my duties at all times during the relevant periods referenced in this affidavit included insurance risk management activities, state that the following is based on personal knowledge or my investigation and is true and correct to the best of my understanding:

1. Insituform purchased primary comprehensive general liability insurance from Liberty Mutual Insurance Company ("Liberty").
2. Liberty issued to Insituform insurance policy no. RG2-641-004218-33 effective July 1, 2003 to July 1, 2004 with limits of liability of \$1,000,000 per occurrence and \$2,000,000 products-completed operations aggregate limit (the "Primary Policy"). A true and correct copy of the Primary Policy is attached to Insituform's Motion For Partial Summary Judgment as Exhibit A.
3. Insituform purchased umbrella excess liability insurance from American Home.

4. American Home issued policy BE 3206923 effective July 1, 2003 to July 1, 2004 with limits of liability of \$25,000,000 per occurrence and in the aggregate excess of scheduled primary insurance (the "Excess Policy"). A true and correct copy of the Excess Policy is attached to Insituform's Motion For Partial Summary Judgment as Exhibit B.

5. Insituform was a subcontractor to D'Allessandro Corporation for work under the Massachusetts Water Resources Authority ("MWRA") Contract #6840, East Boston Sewer Rehabilitation.

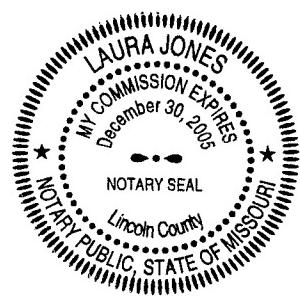
6. On December 29, 2003, Insituform provided notice of a contractor's rework claim by the MWRA to American Home.

7. In response, American Home denied any duty to indemnify Insituform with respect to the MWRA Claim. A true and correct copy of American Home's denial is attached to Insituform's Motion For Partial Summary Judgment as Exhibit C.

Signed and Sworn
before me this
3 th of May, 2004

Laura Jones
Notary Public

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By: Lawrence B. Butler
Lawrence B. Butler